

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01
INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02 CIEP-02
LAB-04 SIL-01 OMB-01 PA-02 PRS-01 AGRE-00 FEAE-00
ERDA-07 /076 W

-----041645Z 068763 /65

R 041520Z JAN 77

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 9485

INFO TREASURY DEPT WASHDC

UNCLAS MEXICO 0058

E.O. 11652: N/A

TAGS: EGEN MX

SUBJ: JLP PREDICTS ECONOMIC RECOVERY IN TWO YEARS.

1. SUMMARY. IN TWO RECENT MEETINGS, LOPEZ-PORTILLO HAS STATED THAT THE MEXICAN ECONOMY WILL HAVE RECOVERED IN TWO YEARS, AND THAT SOME IMPROVEMENT IN THE SITUATION CAN BE EXPECTED BY MID-77. END SUMMARY.

2. PRESIDENT LOPEZ-PORTILLO TOLD A DELEGATION FROM THE MEXICAN CONGRESS ON DECEMBER 31, THAT IT WILL TAKE TWO YEARS TO "RECONSTITUTE" THE MEXICAN ECONOMY. HE SAID THE NEXT SIX MONTHS WOULD BE PARTICULARLY DIFFICULT, BUT THAT BY JUNE OR JULY, ONE WILL BE ABLE TO SEE THE "OTHER FACE" OF THE DEVALUATION.

3. JLP CALLED THE 1977 BUDGET NEITHER DEFLATIONARY, NOR INFLATIONARY BECAUSE IT IS AIMED AT INCREASING PRODUCTION. THIS IS, HE SAID, THE ONLY AND MOST INTELLIGENT WAYS TO OVERCOME INFLATION. HE WENT ON TO NOTE THAT MEXICO CAN BE SELF-SUFFICIENT IN FOODSTUFFS AND IN ENERGY, AND THIS PROVIDES THE BASIS FOR A STRONG ECONOMY. HE RELATED THE RECOVER IN TWO YEARS TIME TO TWO
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AGRICULTURAL SEASONS.

4. LOPEZ-PORTILLO CALLED THE "MODEST" MINIMUM WAGE INCREASE A LESSON IN RESPONSIBILITY THAT BEGINS A PROCESS OF SOLIDARITY WHICH CAN BREAK THE INFLATIONARY SPIRAL.

5. JLP TOUCHED ON SIMILAR THEMES IN A MEETING WITH
FEMALE JOURNALISTS SEVERAL DAYS EARLIER. HE TOLD THE
JOURNALISTS THAT THE ECONOMIC SITUATION WILL BE BETTER
BY JUNE OR JULY, AND THAT MEXICO HAS TO EXPORT CRUDE
OIL IN ORDER TO BE ABLE TO STOP EXPORTING IT AT
A FUTURE DATE.
JOVA

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC RECOVERY, ECONOMIC CONDITIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 04-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MEXICO00058
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770003-0359
Format: TEL
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770182/aaaactuv.tel
Line Count: 69
Litigation Code IDs:
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Litigation History:
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Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3667911
Secure: OPEN
Status: NATIVE
Subject: JLP PREDICTS ECONOMIC RECOVERY IN TWO YEARS.
TAGS: EGEN, MX, (LOPEZ-PORTILLO)
To: STATE
Type: TE
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Review Markings:
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